

## Message Text

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42

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 CIAE-00 COME-00 DODE-00 DOTE-00

FMC-01 INR-07 NSAE-00 CG-00 COA-01 DLOS-03 PM-03 H-01

L-02 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 TRSE-00

OMB-01 STR-01 /064 W

----- 014689

R 131440Z FEB 75

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 7701

INFO AMCONSUL RIO DE JANEIRO

LIMITED OFFICIAL USE BRASILIA 1094

E.O.11652: N/A

TAGS: EWWT, BR

SUBJECT: SHIPPING: PRUDENTIAL PROBLEM

REF: A. STATE 4586 B. STATE 4587 C. BRASILIA 0460

1. SUMMARY: PRUDENTIAL LINES OFFICIALS HELD COURTESY VISIT WITH SECRETARY GENERAL OF MIISTRY OF TRANSPORT, AND HAD DISCUSSIONS WITH FONOFF AND SUNAMAM OFFICIALS ON FEBRUARY 3 AND 4. RESULTS OF FONOFF DISCUSSIONS WERE GENERALLY NEGATIVE. GOB PROMISED OFFICIAL REPLY VIA AIDE MEMOIRE, BUT FONOFF INFORMALLY ADVANCED INFORMATION CONFIRMING NEGATIVE GOB REACTION. END SUMMARY.

2. PRUDENTIAL LINES REPRESENTATIVES MET WITH GENRAL NEWTON BRAGA, SECRETARY GENERAL OF MINISTRY OF TRANSPORT, ON FEBRUARY 3. VISIT WAS PRINCIPALLY COURTESY CALL, THOUGH GENERAL BRAGA EXPRESSED WILLINGNESS TO DISCUSS PRUDENTIAL PROBLEM WITH MINISTER OF TRANSPORT AND WITH NUNAMAM OFFICIALS.

3. ROUND TABLE DISCUSSION WAS HELD ON FEBRUARY 4 WITH LIMITED OFFICIAL USE

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OFFICIALS OF FONOFFTRANSPORTATION DIVISION AND WITH

LUIS ALHANATI, DIRECTOR OF NAVIGATION FOR SUNAMAM. FONOFF PROMISED TO REPLY TO EMBASSY'S AIDE MEMOIRE ON SUBJECT, BUT SAID THAT BRAZILIAN GOVERNMENT CURRENTLY NOT INTERESTED IN NEGOTIATING CONFERENCE AGREEMENT ON THE ROUND-THE-HORN TRADE, SINCE THE VOLUME IS NOT LARGE ENOUGH. FOR THAT SAME REASON, MOREOVER, THE GOB BELIEVES THAT IT CANNOT NOW DO ANYTHING TO ACCOMMODATE PRUDENTIAL.

4. SUBSEQUENT INFORMAL DISCUSSION WITH FONOFF CONTACT CONFIRMED THE ABOVE, AND ESTABLISHED:

A) AN ACCOMMODATION FOR PRUDENTIAL WOULD REQUIRE A MODIFICATION OF BRAZILIAN MARITIME POLICY, AND OF SEVERAL BILATERAL AGREEMENTS.

B) THERE DOES NOT SEEM TO BE ANYTHING THAT PRUDENTIAL CAN OFFER IN RECIPROCITY THAT WOULD WARRANT THE "MASSIVE" EFFORT NEEDED TO EFFECT THIS ACCOMMODATION.

D) BOTH THE NORWEGIANS AND THE WEST GERMANS APPROACHED BRAZIL IN RECENT YEARS WITH ESSENTIALLY THE SAME COMPLAINT AS PRUDENTIAL'S, AND BOTH WERE TURNED DOWN. BOTH COUNTRIES REROUTED THEIR TRADE, AND PRUDENTIAL CAN PROBABLY DO THE SAME.

D) FONOFF IS WELL AWARE OF POSSIBLE RETALIATORY ACTION AGAINST BRAZIL'S CROSS TRADE INVOLVING US PORTS. HOWEVER, FONOFF DOES NOT BELIEVE THAT THE USG WOULD ACT ON ANY REQUEST BY PRUDENTIAL FOR SUCH ACTION AT THIS TIME, SINCE THEY BELIEVE IT WOULD INVOLVE GOING AGAINST US MARITIME POLICIES AND UNNECESSARILY AGGRAVATE US-BRAZILIAN TRADE RELATIONS FOR THE SAKE OF A "MINOR ISSUE."

E) ANY FUTURE DANGER TO BRAZIL'S ASPIRATIONS TO PARTICIPATE IN CROSS-TRADE IS MINIMAL, SINCE BRAZIL WILL BE INTERESTED IN ROUTES WITH A VOLUME OF CARGO LARGE ENOUGH TO PERMIT NEGOTIATIONS FOR CONFERENCE AGREEMENTS.

F) THE RESPONSE TO OUR AIDE MEMOIRE WILL, THEREFORE, BE NEGATIVE. BRAZIL HAS BEEN IN COMMUNICATION WITH THE OTHER COUNTRIES AFFECTED BY THE PRUDENTIAL COMPLAINT (CHILE, PERU, ARGENTINA) TO TRANSMIT TO THEM BRAZIL'S FEELINGS ON THE MATTER. THEY EXPECT CONCURRENCE WITH LIMITED OFFICIAL USE

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BRAZIL'S VIEWS.

5. EMBASSY WILL TRANSMIT TO DEPARTMENT TEXT OF GOB AIDE MEMOIRE WHEN RECEIVED.  
CRIMMINS

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MARINE CARGO, SHIPPING DOCUMENTS, DIPLOMATIC DISCUSSIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
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**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 4586, 75 STATE 4587, 75 BRASILIA 0460  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 SEP 2003 by BoyleJA>; APPROVED <04 SEP 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** SHIPPING: PRUDENTIAL PROBLEM  
**TAGS:** EWWT, BR, PRUDENTIAL LINES  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006